

s22

From: s22
Sent: Thursday, 30 March 2017 4:02 PM
To: s47F
Cc: s47F s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]
Attachments: Shenhua letter.pdf

Hi s47F

Please find the letter attached. I appreciate your patience.

Regards

s22
Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy
P: s22
e: s22 @environment.gov.au

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 March 2017 9:12 AM
To: s22 @environment.gov.au
Cc: s47F @shenhuawatermark.com; s47F
s47F @shenhuawatermark.com; s22 @environment.gov.au
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

s22

s47F
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From: s22 @environment.gov.au
Sent: Monday, 20 March 2017 10:56 AM
To: s47F
Cc: s47F s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

Hi s47F

Thanks for the opportunity to visit. We certainly have a much better understanding of the project following our discussion and site tour.

Unfortunately I had limited time at work last week, but expect that I will be able to progress drafting the letter to you this week.

Regards

s22

Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy

P: 02 s22

e s22 [@environment.gov.au](mailto:s22@environment.gov.au)

From: s47F [@shenhuawatermark.com](mailto:s47F@shenhuawatermark.com)

Sent: Wednesday, 8 March 2017 12:24 PM

To: s22 [@environment.gov.au](mailto:s22@environment.gov.au); s22 [@environment.gov.au](mailto:s22@environment.gov.au)

Cc: s47F [@shenhuawatermark.com](mailto:s47F@shenhuawatermark.com); s47F

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Subject: Summary notes from inspection visit

s22

Firstly thank you very much for taking the time on Monday/Tuesday to understand both our project and challenges as we look to develop the Watermark lease.

The following bullet points are designed to give you our understanding of discussions and the next steps through to April. Happy for you to add to them in further correspondence back to us in due course.

Process

- The Department receives requests from various channels regarding the Shenhua Projects progress and its status of the required management plans. Shenhua needs to be aware of this when developing and lodging its plans
- The Department will be referring the draft management plans and all required and requested support documentation to GEOSCIENCES AUSTRALIA for peer review and comment prior to referral to the IESC.
- The Department will give Shenhua clarification in writing on the specific compliance mechanisms for specific conditions where the NSW Consent is referenced in the consent.
- Compliance with the NSW Consent is a requirement for the Federal Consent to be completed.
- Shenhua will be required to show compliance with the Departments guideline documentation including carrying out synthesised risk assessment processes on each Management Plan and supporting documentation.

- All three commonwealth determined management plans are to be lodged concurrently with the compliant and fully mitigated Mine Operational Plan and compliant detailed mine plans and Schedules preferably prior to the 31st of December 2017.
- The "one Stop Shop" process with NSW is **not** defined and operating, however close cooperation between NSW and Commonwealth regulators is expected to be undertaken during the preparation and approval period for the relevant management plans and supporting documentation. Shenhua will be expected to participate in the cooperation process but also run separate NSW and commonwealth approval processes for the management plans and supporting documentation.
- The Department will detail specific requirements in correspondence to Shenhua within 2 working weeks.
- The Department supports the Shenhua proposal to undertake execution plans for each management plan and incorporate departmental comments and advice to establish the final scope for the management plans and the interpretation and expectation of the relevant conditions of consent.
- The Department supports the development of a detailed action plan for each management plan to control and develop the management plans consistent with the execution plan to deliver a complaint draft management plan for consideration, peer review and approval.
- The department requires that Shenhua engage in fortnightly teleconference meetings with a defined agenda and minutes to assess progress and scope compliance with the identified management plan schedule. Agreed milestones in the execution plan requiring face to face meetings with the department with relevant experts in Canberra or Gunnedah. (location as required)
- Shenhua to develop a specific communication plan for the development of the Management Plans.

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Next Steps

- Shenhua to issue the execution plan in doc format for water for review, comment and approval
- s22
- Department to issue correspondence to Shenhua giving direction on the management plan development and process going forward specifically the requirement for a consolidated package for lodgement that includes the fully mitigated detailed mine plan and schedule and operational plans compliant to NSW requirements.
- s22

Regards

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Our reference: 2011/6201

Mr s47F
Project Director - Watermark
Shenhua Watermark
368-370 Conadilly Street
GUNNEDAH NSW 2380

Dear Mr s47F

Management Plans (EPBC 2011/6201 – Watermark Coal Project, NSW)

Thank you for providing the Department of the Environment and Energy (the Department) the opportunity to meet with you on 6-7 March 2017. The meeting and site visit provided valuable insight into the project and your approach to developing the management plans required under the conditions of approval for this project.

Management Plans

At the meeting you outlined that each of the three management plans (Water management Plan, s22) will be developed through a project execution plan and an action plan. It is the Department's understanding that the intent of the project execution plan is to establish the final scope for the respective management plans consistent with an appropriate interpretation of the relevant conditions of approval. It is also the Department's understanding that the action plans builds on the project execution plans providing more detail on developing the management plans.

The Department looks forward to working with you throughout the development of the project execution plans and action plans with the objective of ultimately delivering management plans that are consistent with the conditions of approval. You have indicated your intention to submit single management plan documents that cover both Commonwealth and State approvals. The Department supports this approach.

We also note your intention to submit the three management plans concurrently along with the s22 . The latter plans, although not required to be approved by the Department, are expected to support and provide context to the Water Management Plan, s22 .

Water Management Plan

As you are aware, the previous Minister for the Environment committed to seeking the advice of the Independent Expert Committee on Coal Seam Gas and Large Coal Mining Development (IESC) on the Water Management Plan prior to making a decision on the approval of this plan. As we discussed, prior to seeking this advice, a peer review of the draft plan submitted to the Department will be undertaken by Geoscience Australia. It is expected that Shenhua Watermark will have the

opportunity to respond and redraft the Water management Plan as necessary prior to the plan's submission to the IESC.

Communication Schedule

As was outlined at the meeting, the next step in engaging the Department towards developing the management plans is submission of the project execution plans. This would precipitate a series of regular teleconference meetings to discuss progress of the management plan schedule and the continued alignment of the scope with the conditions of approval and, for the Water Management Plan, the requirements of the IESC. It may be beneficial to discuss progress on agreed milestones within the project execution plans through face to face meetings.

The conditions of approval rely in part on the NSW conditions of consent. Acknowledging this, the Department will also work closely with the NSW Office of Environment and Heritage in relation to the management plans.



Should you wish to discuss this matter further, please contact s22 on s22 or s22 on s22

Yours sincerely



Director
Post Approvals Section
Compliance & Enforcement Branch
Environment Standards Division

30 March 2017